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**FISCAL IMPACT STATEMENT**

**LS 6923**

**BILL NUMBER:** SB 415

**NOTE PREPARED:** Feb 4, 2013

**BILL AMENDED:** Jan 31, 2013

**SUBJECT:** Department of Health Matters.

**FIRST AUTHOR:** Sen. Miller Patricia

**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill requires local boards of health to apply to the Indiana State Department of Health (ISDH) for funding from the Indiana Local Health Department Account (Account). The bill changes the distribution of funds from the Account to the ISDH. (Current law provides that the Auditor of State distributes the funds.) It also directs distribution of the payments to the local boards of health. (Current law provides that the funds are distributed to the counties.)

**Effective Date:** (Amended) Upon passage.

**Explanation of State Expenditures:** (Revised) *Indiana Local Health Department Account Provisions-* The bill will transfer responsibility for distributing funds from the Local Health Department Account from the Auditor of State to the ISDH. The bill establishes a first-year process to distribute the funds and requires a semiannual distribution. This provision would have minimal impact on either agency.

The bill requires the ISDH to design an application for the local health departments' use in applying for the funding. It also would require the ISDH to review and approve the use of the funds proposed in the application. The ISDH should be able to perform these tasks within the current level of resources available.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) Local health departments would be required to apply for the distribution before October 1 of each year, except in the first year when applications would be required to be submitted by June 1, 2013.

**Explanation of Local Revenues:** (Revised) *Indiana Local Health Department Account Provisions*- The bill requires the ISDH to make the semiannual distribution to local boards of health. (Current law requires the distribution go to the counties.) ISDH is required to allocate the available funds to each local health department that has submitted an application and that has been approved by ISDH. Since the allocation formula has not changed, the amount of money designated for each county would not change. However, if a local health department did not apply for, or have an approved application, no distribution would be made for that county.

*Lake County:* The bill does not change the allocation formula on a county basis, but it could potentially affect the distribution of funds within Lake County, which includes more than one local health department (Lake County, East Chicago, and Gary). The bill requires ISDH to distribute the allocation for Lake County to the department or departments with approved applications. If all three Lake County health departments have approved applications, ISDH is to allocate the available funds on the basis of population served by each. (Under current law, the county fiscal body determines the allocation of the funds within the county.)

**State Agencies Affected:** ISDH; Auditor of State.

**Local Agencies Affected:** Counties and local departments of health.

**Information Sources:**

**Fiscal Analyst:** Kathy Norris, 317-234-1360.